	TAH OIL	AND GAS CONSE	RVATION CO	OISSIMMC	1	
REMARKS: WELL LOGELECTRIC LOGS	FILE X	WATER SANDS	LOCATI	ON INSPECTED		SUB. REPORT/abd.
990311 LA'D el 3-8-99	/					
//						
			٠			
DATE FILED JANUARY 28, 1997	7					
LAND: FEE & PATENTED STATE LEASE NO.		PUB	LIC LEASE NO.			INDIAN #
DRILLING APPROVED: FEBRUARY 12, 199	7					14-20-H62-3502
SPUDDED IN:						
COMPLETED: PUT TO PROD	UCING:				· · · · · · · · · · · · · · · · · · ·	
INITIAL PRODUCTION:						
GRAVITY A.P.I.						
GOR:						
PRODUCING ZONES:						
TOTAL DEPTH:						
WELL ELEVATION:						
DATE ABANDONED: 3-8-99 LAD						
FIELD: ANTELOPE CREEK						
UNIT:	·					
COUNTY: DUCHESNE		****				
WELL NO. UTE TRIBAL 03-07	7		APIN	10. 43	-013-	
LOCATION 1846 FNL FT. FROM (N) (S) LINE,	3310 F	FWL FI	r. from (E) (W)	LINE. NW	NE	1/4 – 1/4 SEC. 3
TWP. RGE. SEC. OPERATOR			TWP.	RGE.	SEC.	OPERATOR
			58	3 W	3	PETROGLYPH OPERATING

Petroglyph Operating Co., Inc. P.O. Box 1839 Hutchinson, KS 67504-1839

January 15, 1997

Utah Division of Oil, Gas, & Mining Attn: Mr. Frank Matthews, Petroleum Engineer 1594 West North Temple Box 145801 Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL UTE TRIBAL #03-07
Lot 7, SEC. 3, T5S, R3W
DUCHESNE COUNTY, UTAH
LEASE NO. BIA 14-20-H62-3502
UTE TRIBAL LANDS

Dear Mr. Matthews:

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone # (801) 789-4120
Fax # (801) 789-1420

Sincerety

'Ed Trotte

Petroglyph Operating Co., Inc.

Attachments

/EHT/dmt

DIV. OF OIL, GAS & MINING

Form 3160?3 (July 1992)

APPROVED BY

SUBMIT IN TRACLICATE. (Other instructions on reverse side)

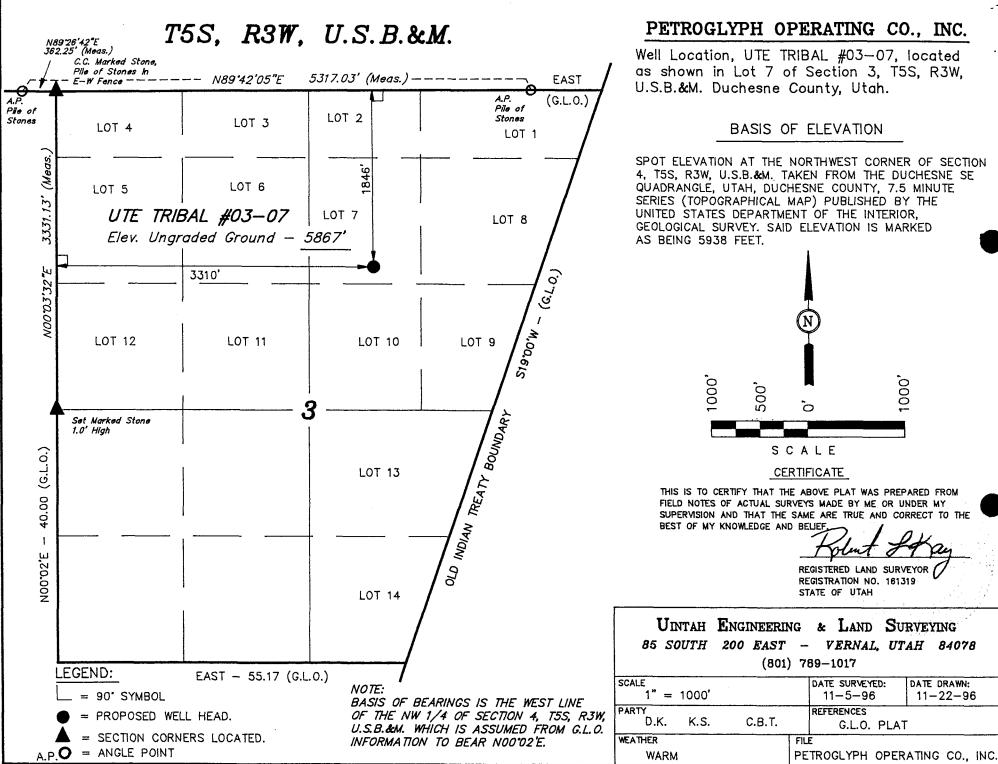
FORM APPROVED OMB NO. 1004-0136

UNITED STATES

Expires: February 28, 1995 DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND BERIAL NO. BUREAU OF LAND MANAGEMENT 14-20-H62-3502 6. IF INDIAN, ALLOTTEB OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL OR DEEPEN UTE INDIAN TRIBE
7. UNIT AGREEMENT NAME 1a. TYPE OF WORK DRILL X DEEPEN [b. TYPE OF WELL OIL GAS WELL SINGLE WELL X MULTIPLE 8. FARM OR LEASE NAME, WELL NO. 2. NAME OF OPERATOR UTE TRIBAL 9. API WELL NO. PETROGLYPH OPERATING COMPANY. 3. ADDRESS AND TELEPHONE NO. #03-07 P.O. BOX 607, ROOSEVELT, UT 84066
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) 10. FIELD AND POOL, OR WILDCAT At surface 3310 ANTELOPE CREEK 563 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 1846' FNL & FWL LOT At proposed prod. zone Sec. 3, T5S, R3W 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST COUNTY OR PARISH | 13. STATE 20.3 MILES SOUTHWEST OF MYTON, UTAH **DUCHESNE** UTAH 15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL 1846' 649.34 (Also to nearest drig, unit line, if any) 40 18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS 6494' ROTARY 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 22. APPROX. DATE WORK WILL START* 5865.8 GRADED GROUND JANUARY 1997 PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE WEIGHT PER FOOT GRADE, SIZE OF CASING SETTING DEPTH QUANTITY OF CEMENT 12 1/4 8 5/8 24.0# 250' 135 sx class "G" + 2% CaCl2 7/8 1/2 15.5# 6494' + 1/4 #/sx celloflake. 50/50 POZMIX + 2% GEL + 10% SALT TO 400' ABOVE ALL ZONES OF INTEREST (+ 10% EXCESS). CONFIDENTIAL LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS (+ 5% EXCESS). PETROGLYPH OPERATING COMPANY, INC. WILL BE THE DESIGNAT OPERATOR OF THE SUBJECT WELL UNDER BOND # BO 4556. Utah Division of Oil, Gas, and Mining DC: Bureau of Indian Affairs, Fort Duchesne, Utah JAN 2 8 1997 Ute Tribe, Fort Duchesne, Utah DIV. OF OIL, GAS & MINING IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent days on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any. 1-23-97 TITLE AGENT FOR PETROGLYPH SIGNED State office use) 0113-APPROVAL DATE Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

See Instructions On Reverse Side

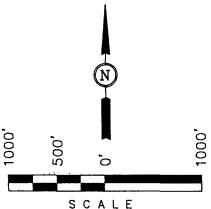


PETROGLYPH OPERATING CO., INC.

Well Location, UTE TRIBAL #03-07, located as shown in Lot 7 of Section 3, T5S, R3W. U.S.B.&M. Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 4, T5S, R3W, U.S.B.&M. TAKEN FROM THE DUCHESNE SE QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR. GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE

> REGISTERED LAND SURVEYOR REGISTRATION NO. 161319 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL UTAH 84078 (801) 789-1017

		(001)	.00 101.	
SCALE 1" =	1000'	-	DATE SURVEYED: 11-5-96	DATE DRAWN: 11-22-96
PARTY D.K.	K.S.	C.B.T.	REFERENCES G.L.O. PLA	ΛT.
WEATHER			FILE	

EIGHT POINT PLAN

UTE TRIBAL #03-07 Lot 7 SEC. 3, T5S R3W DUCHESNE COUNTY, UTAH

1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

FORMATIONS	DEPTH	SUBSEA
Mahogany Shale	3054	2822
'B' marker	4085	1791
'X' marker	4673	1203
Douglas Creek	4793	1083
"B" Limestone	5207	669
B/Castle Peak Limestone	5768	108
Basal Carbonate Limestone	6164	-288
Total Depth	6494	-618

Anticipated BHP

2800 psi

2. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS FORMATIONS:

Substance	Formation	<u>Depth</u>	<u>Subsea</u>
Oil/Gas	Douglas Creek	4793	1083
Oil/Gas	B/Castle Peak	5768	108
Other mineral zones	N/A		

3. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.

4. CASING PROGRAM:

						MINIMUM S	AFETY FA	CTOR
HOLE SI	ZE INTERVAL	LENGTH	SIZE	WEIGHT	GRADE	COLLAPS	E BURST T	ENSILE
12 1/4	0' - 250'	250'	8 5/8	24.0 #	J-55	1370 PSI	2950 PSI	263,000#
7 7/8	0' - 6494'	6494'	5 1/2	15.5 #	M-50	3650 PSI	4550 PSI	186,000#

All casing will be new or inspected.

EIGHT POINT PLAN

UTE TRIBAL #03-07 Lot 7, SEC. 3, T5S R3W DUCHESNE COUNTY, UTAH

5. MUD PROGRAM

INTERVAL	MUD TYPE
0' - 250'	Air
250' - 4000'	Air/Mist & Aerated Water
4000' - TD	Air/3% KCL water or KCL substitute
TD	Gel/polyacrylamide plolymer w/5-10% LCM

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. <u>VARIANCE REQUESTS:</u>

- A. Petroglyph Operating Co., Inc. requests a variance to regulations requiring a straight run blooie line.
- B. Petroglyph Operating Co., Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line.

7. **EVALUATION PROGRAM**:

Logs:	Mud Logging	T.D. to base of surface csg.
	Compensated Density-Compensated Neutron Log	T.D. to base of surface csg.
	Dual Laterolog - Micro-SFL	T.D. to base of surface csg.
	Numar (Magnetic Resonance Imaging Log)	@ Geologists discretion

Cores: None Programmed DST': None Programmed

Completion: To be submitted at a later date.

8. ABNORMAL CONDITIONS:

None anticipated.

EIGHT POINT PLAN

UTE TRIBAL #03-07 Lot 7, SEC. 3, T5S R3W DUCHESNE COUNTY, UTAH

9. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

10. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in associaton with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in associaton with the drilling of this well.

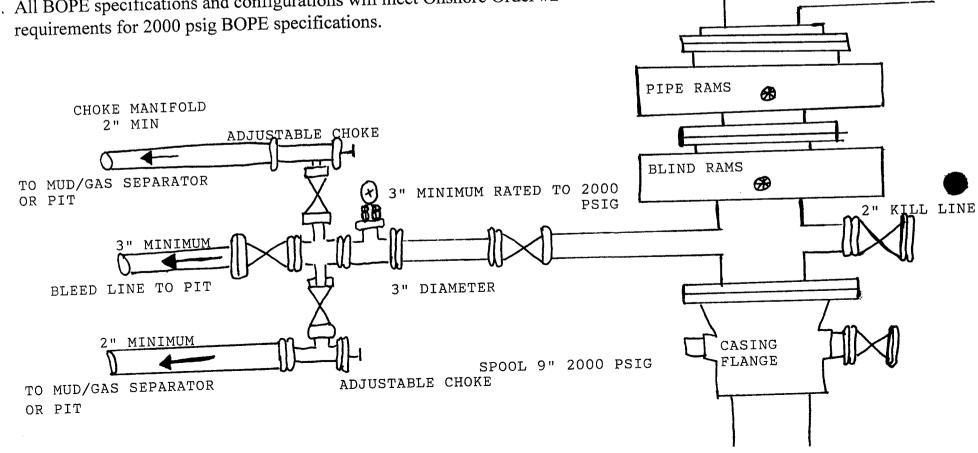
(Attachment: BOP Schematic Diagram)

2000 PSIG DIAGRAM

BOTH RAMS ARE 2000 PSIG RATED. CASING FLANGE IS 9" 2000 PSIG RATED. BOPE 9" 2000 PSIG

TESTING PROCEDURE:

- 1. BOPE 's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
- 2. Blind rams will be tested to rated working pressure, 2000 psig
- 3. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be pressure tested to the same pressure as blind & pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 2000 psig BOPE specifications.



ROTATING

HEAD

FLOW LINE

CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL

Company/Operator: Petroglyph Operating Co., Inc.

Well Name & Number: <u>Ute Tribal #03-07</u> Lease Number: <u>BIA 14-20-H62-3502</u>

Location: 1846' FNL & 3310' FWL Lot 7, Sec. 3, T5S R3W

U.S.B.&M., Duchesne County, Utah

Surface Ownership: Ute Indian Tribe

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of

location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice - at least twenty-four (24

- at least twenty-four (24) hours prior to spudding the

well.

Casing String and

Cementing

- twenty-four (24) hours prior to running casing and

cementing all casing strings.

1

BOP and related

Equipment Tests

- twenty-four (24) hours prior to running casing and

tests.

First Production

Notice

- within five (5) business days after new well begins

or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice To Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing road.
- B. The proposed well site is located approximately 20.3 miles southwest of Myton, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.8 miles in length. See attached TOPO Map "B"
- B. The access road has a 30 foot ROW w/18 foot running surface.
- C. Maximum grade on access road will be 8%
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges or major cuts & fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

All travel will be confined to existing access road Right-of-Way. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service Publication: Surface Operating Standards For Oil & Gas Exploration and Development, (1989).

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the

roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of- Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, Petroglyph Operating Co., Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION

- A. Water wells None
- B. Abandoned wells None
- C. Temporarily abandoned wells None.
- D. Disposal wells None.
- E. Drilling wells None.
- F. Producing wells 6*
- G. Shut in wells None
- H. Injection wells None(*See attached TOPO map "C" for location)

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Tank batteries None
- 2 Production facilities-To be submitted later
- 3. Oil gathering lines None

- 4. Gas gathering lines-None
- 5. Injection lines None
- 6. Disposal lines None
- 7. Surface pits None

B. OFF WELL PAD

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 4 1/2" OD steel above ground gas sales pipeline will be laid approximately 4000' from proposed location to a point in the SE/NE of Section 4, T5S, R3W, where it will tie into Petroglyph Operating Co., Inc.'s existing pipeline. Proposed pipeline crosses Ute Tribe lands, thus a Right-of-Way grant will be required. See attached TOPO Map D showing pipeline route.
- 3. Proposed pipeline will be a 4 1/2" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

The production facilities will be placed on the East side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities required will be painted within 6 months of installation. Facilities required to comply with O.S.H.A.

(Occupational Safety and Health Act) will be excluded. The required paint color is Desert Brown.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Target Trucking's Roosevelt Brine Storage and/or Target's water source in SE 1/4, Sec. 1, T 4S, R 5W Duchesne County, Utah (State water right #43-10152). All water will come from a non-depletable source.
- B. Water will be hauled by Target Trucking.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of location.
- B. All construction material will come from Ute Tribal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at an approved waste disposal facility.
- 4. Produced waste water will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, together with the required water analysis, will be submitted for the AO's approval.

- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on drilling rig to avoid leakage of oil to pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in reserve pit or be removed and disposed of at an authorized disposal site.
 Introduction of well bore hydrocarbons to reserve pit will be avoided by flaring them off in flare pit at time of recovery.

Burning of trash will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

On BIA administered land:

To protect the environment:

All reserve pits will be lined with either native clay, commercial bentonite or plastic sufficient to prevent seepage. (If a plastic nylon reinforced liner is used, it shall be torn and perforated after the pit dries and before backfilling of the reserve pit).

A 12 mill liner shall be installed in the reserve pit.

If the reserve pit is lined the operator will provide the BIA with a chemical analysis of the fluids in that pit no later than 90 days after the well completion to determine the method for final reclamation of the reserve pit. If the elemental concentrations shown by the chemical analysis exceeds the requirements described by part II, Standards of Quality for Waters of the State, Wastewater Disposal Regulations, State of Utah Division of Health,

Wastewater Disposal Regulations, State of Utah Division of Health, the contents and liner will be removed and disposed of at an authorized disposal site.

__To protect the environment (without a chemical analysis) reserve pits will be constructed so as not to leak, break, or allow discharge of liquids.

_Storage tanks will be used if drill sites are located on tribal

irrigable land, flood plains, or on lands under crop production. After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with NTL-2B, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. ANCILLARY FACILITIES

A. No airstrips or camps are planned for this well.

9. WELL SITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills & cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation parking areas, and access road.

The reserve pit will be located on the West side of the location.

The flare pit will be located downwind of the prevailing wind direction on the West side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled topsoil will be stored on the East side.

FENCING REQUIREMENTS

All pits will be fenced according to the following minimum standards:

- A. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16'.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BIA or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly travelled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to a new road, crossing any fence located on federal land, or any fence between federal land and private land, the operator will contact the BIA, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to

satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion (weather permitting). Before any dirt work takes place, the reserve pit will be completely dry and all cans, barrels, pipe, fluid, and hydrocarbons, will be removed.

Contact appropriate surface management agency for required seed mixture.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and BIA will attach the appropriate surface rehabilitation conditions of approval.

ON BIA Administered lands:

Abandoned well sites, roads, or other disturbed areas will be restored to near their original condition. This procedure will include: (a) reestablishing irrigation systems where applicable, (b) reestablishing soil conditions in irrigated fields in such a way as to ensure cultivation and harvesting of crops and, (c) ensuring revegetation of the disturbed areas to the specifications of the Ute Indian Tribe or the BIA at the time of abandonment.

11. SURFACE OWNERSHIP

Access road:

Ute Indian Tribe

Location:

Ute Indian Tribe

12. OTHER INFORMATION

A. Petroglyph Operating Co., Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of historic Places;

the mitigation measures the operator will likely have to undertake before the site can be used.

-a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, Petroglyph Operating Co., Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BIA,

or the appropriate County Extension Office. On BIA administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Tribal Lands after the conclusion of drilling operations or at any other time without BIA authorization. However, if BIA authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

On BIA administered land:

Operator's employees, including subcontractors, will not gather firewood along roads constructed by operators. If wood cutting is required, a permit will be obtained from the Forestry Department of the BIA pursuant to 25 CFR 169.13 "Assessed Damages Incident to Right-of-Way authorization". All operators, subcontractors, vendors, and their employees or agents may not disturb saleable timber (including firewood) without a duly granted wood permit from the BIA Forester.

If the surface rights are owned by the Ute Indian Tribe and mineral rights are owned by another entity, an approved right-of-way will be obtained from the BIA before the operator begins any construction activities. If the surface is owned by another entity and the mineral rights are owned by the Ute Indian Tribe, rights-of-way will be obtained from the other entity.

All roads constructed by operators on the Uintah and Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state: (a) that the land is owned by the Ute Indian Tribe, (b) the name of the operator, (c) that firearms are prohibited to all non-Ute Tribal members (d) that permits must be obtained from the BIA before cutting firewood or other timber products, and (e) only authorized personnel permitted. All well site locations on the Uintah and Ouray Indian Reservation will have an appropriate sign indicating the name of the operator,

the lease serial number, the well name and number, the survey description of the well (either footage or the quarter-quarter section, the section, township, and range).

<u>Addıtı</u>	onal Surface Stipulations
N/A	_No construction or drilling activities shall be conducted between
	and because of
N/A	_No surface occupancy will be allowed within 1,000 feet of any sage
	grouse strutting ground.
N/A	_No construction or exploration activities are permitted within 1.5
	mile radius of sage grouse strutting grounds from April 1 to June 30.
N/A	_There shall be no surface disturbance within 600 feet of live water
	(includes stock tanks, springs, and guzzlers).
N/A	_No cottonwood trees will be removed or damaged.
N/A	Pond will be constructed according to BLM specifications
	approximatelyftof the location, as flagged
	on onsite.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

<u>PERMITTING</u>	OPERATIONS
Ed Trotter	Vince Guinn
1620 West 750 North	P.O. Box 607
Vernal UT 84078	Roosevelt, UT 84066
Telephone # (801)789-4120	(801) 722-2531
Fax # (801) 789-1420	Fax # (801) 722-9145

All lease/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. Petroglyph Operating Co., Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

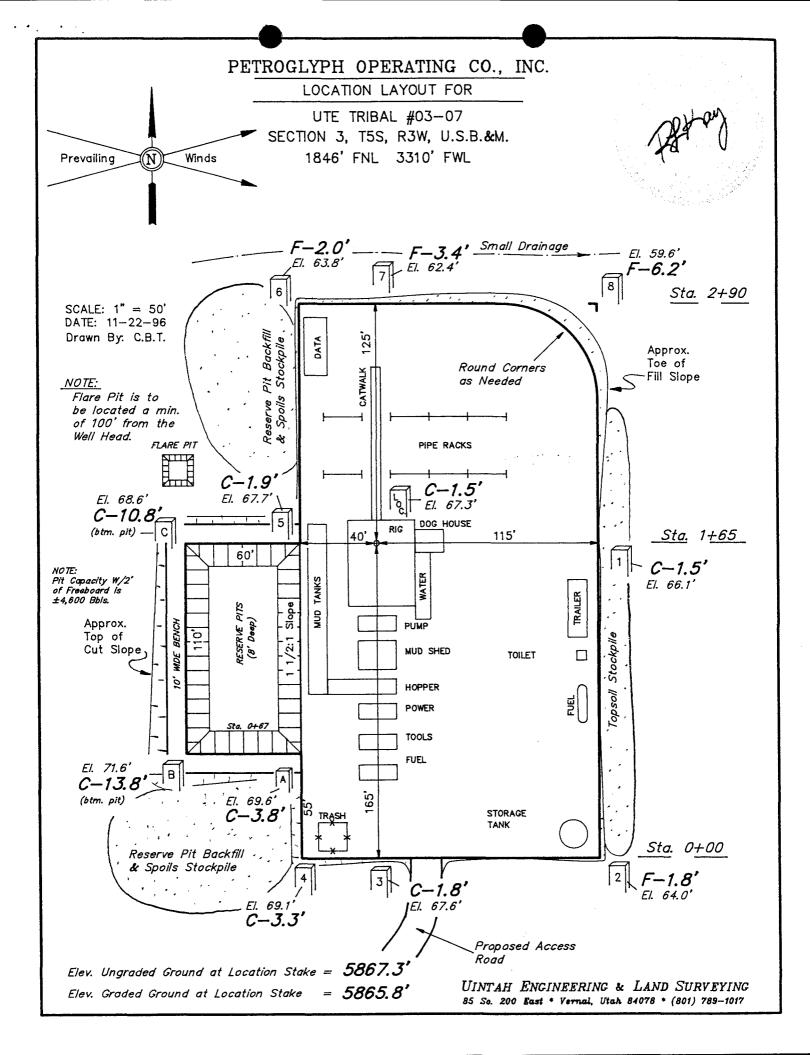
The BIA Office shall be notified upon site completion prior to moving on the drilling rig.

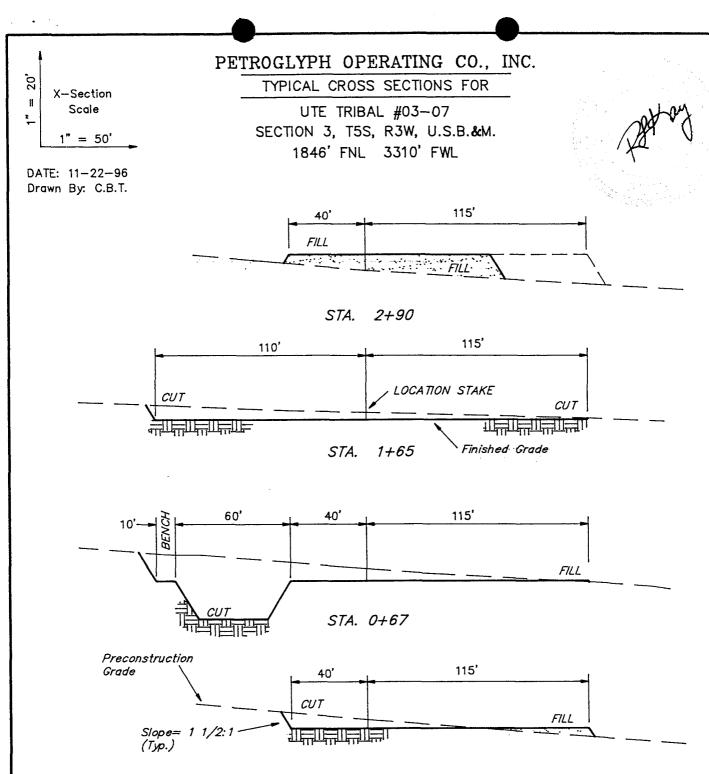
Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in the Plan are to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Petroglyph Operating Co., Inc. and its contractors and sub-contractors in conformity with this Plan and the terms and conditions under which it is approved.

Jell Juth

Date





STA. 0+00

NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

(12") Topsoil Stripping = 1,910 Cu. Yds.

Remaining Location = 3,070 Cu. Yds.

TOTAL CUT = 4,980 CU.YDS.

FILL = 2,240 CU.YDS.

EXCESS MATERIAL AFTER

5% COMPACTION = 2,620 Cu. Yds.

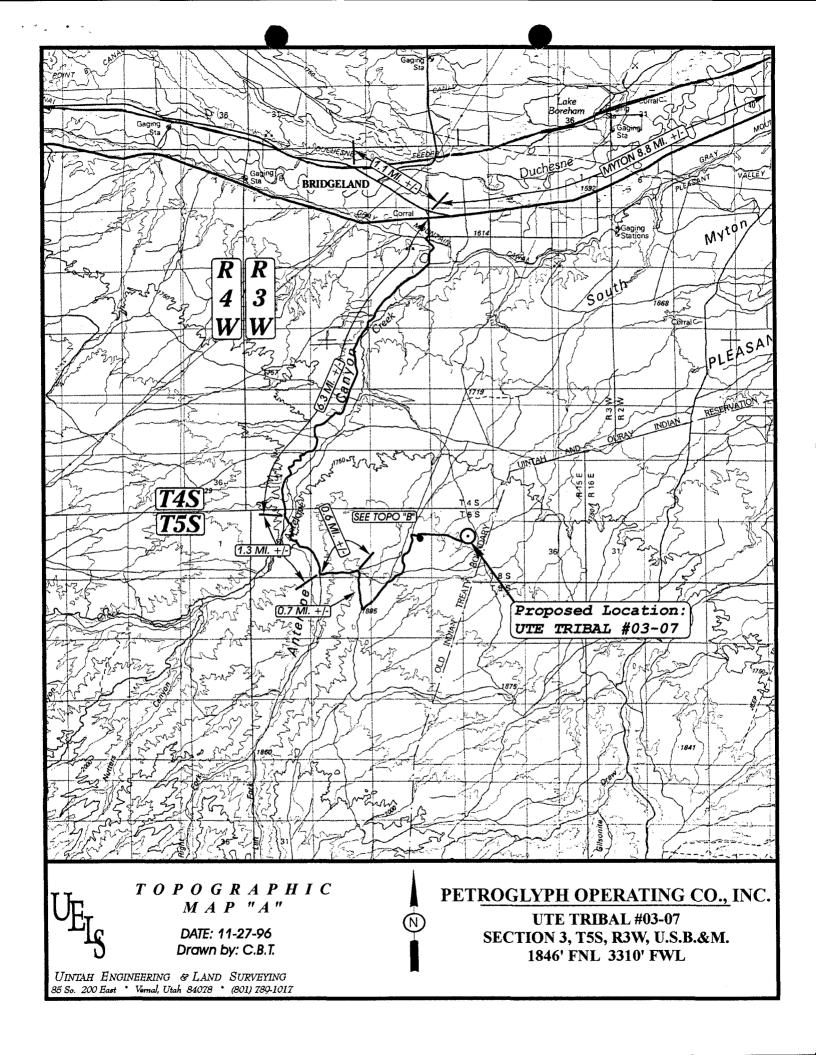
Topsoil & Pit Backfill = 2,610 Cu. Yds.

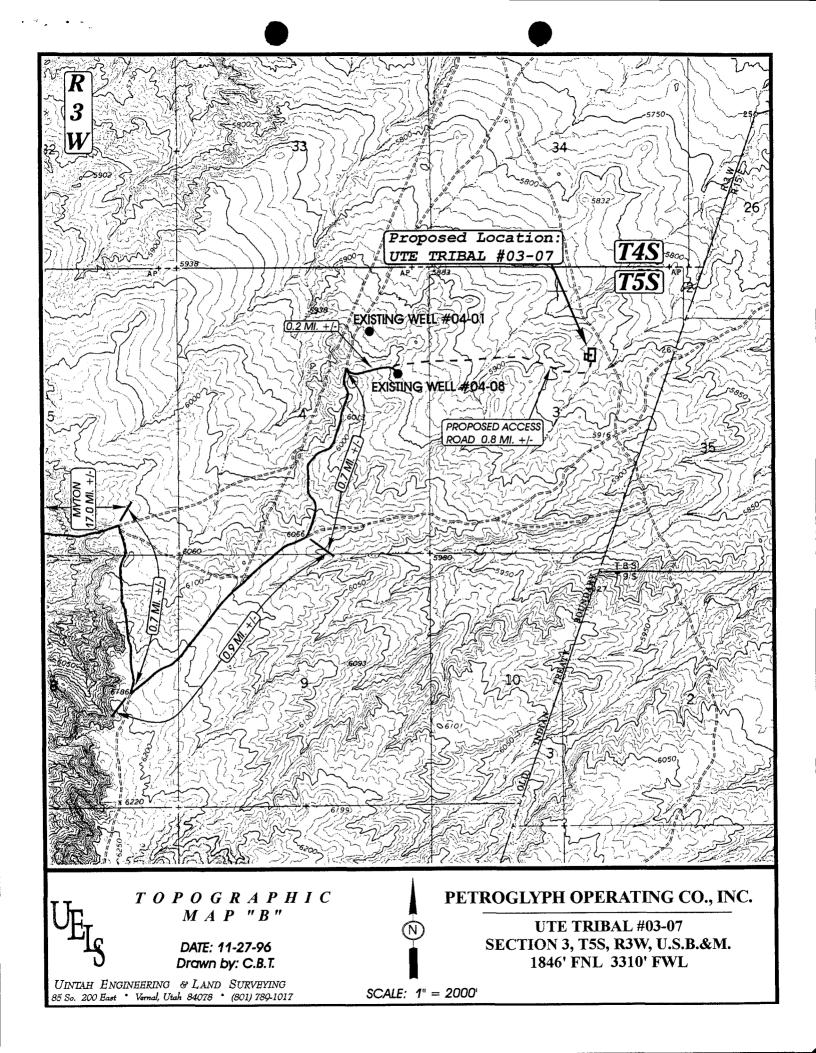
(1/2 Pit Vol.)

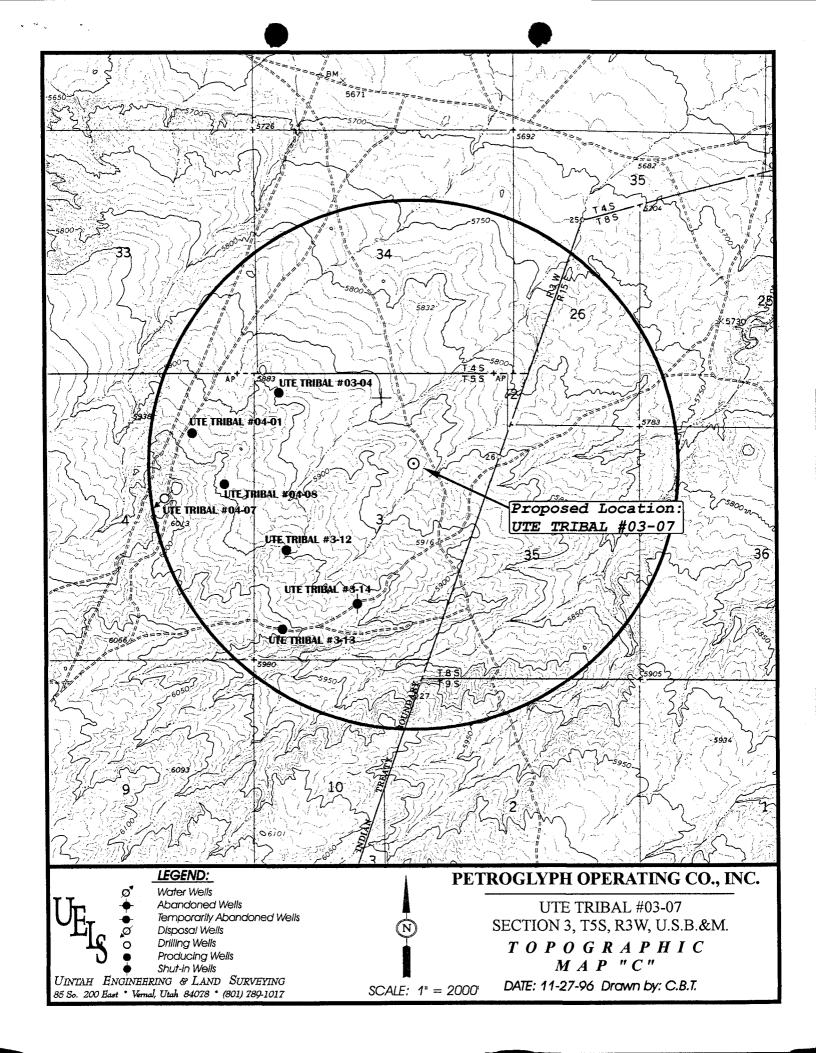
EXCESS UNBALANCE = 10 Cu. Yds.

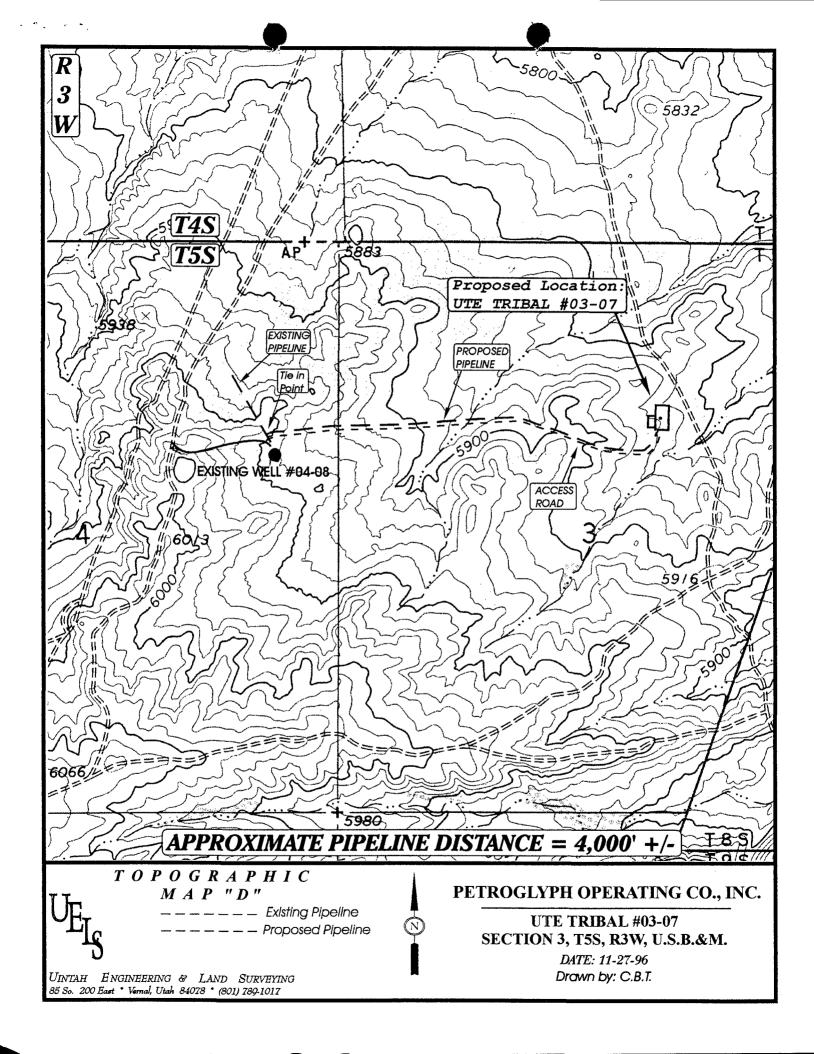
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017









WORKSHEET APPLICATION FOR PERMIT TO DRILL

API NO. ASSIGNED: 43-013-31788 APD RECEIVED: 01/28/97 WELL NAME: UTE TRIBAL 0307 OPERATOR: PETROGLYPH OPERATING (N3800) PROPOSED LOCATION: INSPECT LOCATION BY: / / NWNE 03 - T05S - R03W TECH REVIEW Initials SURFACE: 1846-FNL-3310-FWL Date BOTTOM: 1846-FNL-3310-FWL DUCHESNE COUNTY Engineering ANTELOPE CREEK FIELD (060) Geology LEASE TYPE: IND LEASE NUMBER: 14-20-H62-3502 Surface PROPOSED PRODUCING FORMATION: GRRV RECEIVED AND/OR REVIEWED: LOCATION AND SITING: / Plat R649-2-3. Unit: Bond: Federal[State[] Fee[] ___ R649-3-2. General. (Number <u>30 4556</u>) Potash (Y/N) J Oil shale (Y/N) ___ R649-3-3. Exception. ✓ Water permit (Number <u>43-10152</u>) **★** RDCC Review (Y/N) Drilling Unit. Board Cause no: (Date: Date: COMMENTS: STIPULATIONS:

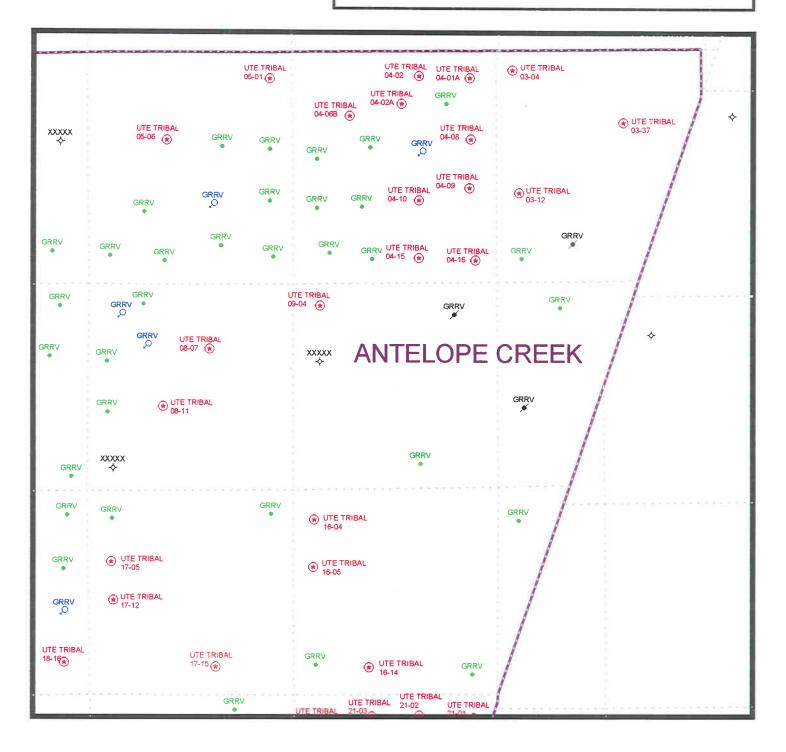
OPERATOR: PETROGLYPH

FIELD: ANTELOPE CREEK (060)

SEC. TWP. RNG: 3 & 16, T5S R3W

COUNTY: DUCHESNE

UAC: R649-3-2



PREPARED:

DATE: 28-JAN-97

Michael O. Leavitt Governor Ted Stewart Executive Director

1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 James W. Carter Division Director 801-359-3940 (Fax) 801-538-7223 (TDD) 801-359-3940 (Fax)

February 12, 1997

Petroglyph Operating Company, Inc. P.O. Box 607 Roosevelt, Utah 84066

Ute Tribal 03-07 Well, 1846' FNL, 3310' FWL, NW NE, Sec. 3, Re: T. 5 S., R. 3 W., Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-31788.

Sincerely,

Associate Director

lwp

Enclosures

Duchesne County Assessor

Bureau of Land Management, Vernal District Office

Operator: _		Petro	glyph	<u>Operat</u>	ing Co	mpany,	Inc.
Well Name & 1	Number: _	Ute T	<u>ribal</u>	03-07			
API Number:		43-01	3-3178	8		•	
Lease:		14-20	-H62-3	502		_	
Location:	NW NE	Sec.	3	T.	5 S.	R.	3 W.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact R. J. Firth (801)538-5274 or Mike Hebertson at (801) 538-5333.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Form 3166-3 (July 1992)

SUBMIT IN TRI (Other instructions on

FORM APPROVED OMB NO. 1004-0136

UNITED STATES reverse side) Expires: February 28, 1995 DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO. 14-20-H62-3502 BUREAU OF LAND MANAGEMENT 6. IF INDIAN, ALLOTTEE OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL OR DEEPEN UTE INDIAN TRIBE
7. UNIT AGREEMENT NAME 1a. TYPE OF WORK DEEPEN DRILL X b. TYPE OF WELL SINGLE MULTIPLE S. FARM OR LEASE NAME WELL NO GAS WELL WELL X OTHER 2. NAME OF OPERATOR UTE TRIBAL API WELL NO. PETROGLYPH OPERATING COMPANY, #03-07 10. FIELD AND POOL, OR WILDCAT 84066 P.O. BOX 607, ROOSEVELT, UT 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) ANTELOPE CREEK At surface 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 1846' FNL & 3310' FWL LOT 7 At proposed prod. zone Sec. 3, T5S, R3W 12. COUNTY OR PARISH | 13. STATE 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* DUCHESNE UTAH 20.3 MILES SOUTHWEST OF MYTON, UTAH 17. NO. OF ACRES ASSIGNED TO THIS WELL 16. NO. OF ACRES IN LEASE 15. DISTANCE FROM PROPUSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1846 (Also to nearest drig, unit line, if any) 1846' 649.34 20. ROTARY OR CABLE TOOLS 19 PROPOSED DEPTH 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. ROTARY 6494' 22. APPROX. DATE WORK WILL START* 21. ELEVATIONS (Show whether DF, RT, GR, etc.) JANUARY 1997 5865.8'GRADED GROUND PROPOSED CASING AND CEMENTING PROGRAM QUANTITY OF CEMENT SETTING DEPTH WEIGHT PER FOOT SIZE OF HOLE GRADE, SIZE OF CASING <u> 135 sx class "G" + 2% CaC</u>l₂ 250' 24.0# 8 5/8 12 1/4 6494' + 1/4 #/sx celloflake. 15.5# 1/2 7/8 50/50 POZMIX + 2% GEL + 10% SALT TO 400' ABOVE ALL ZONES OF INTEREST (+ 10% EXCESS). LIGHT CEMENT (11 PPG \pm) + FEB 18 1997 LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS (+ DIV. OF CIL. GAS & MINIC 5% EXCESS). PETROGLYPH OPERATING COMPANY, INC. WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER BOND # BO 4556. Utah Division of Oil, Gas, and Mining RECEIVED pc: Bureau of Indian Affairs, Fort Duchesne, Utah Ute Tribe, Fort Duchesne, Utah ACCEPTED BY BLM FOR ONDITION UNIT PURPOSES ONLY IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any. DATE 1-23-97 TITLE AGENT FOR PETROGLYPH SIGNED (This space for Federal of State office use) APPROVAL DATE Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL, IF ANY;

APPROVED BY

4T080-7M-107 Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the raudulent statements or representations as to any matter within its jurisdiction.

Assistant Field Manager Mineral Resources

DATE _

DATE:

January 23, 1997

REPLY TO ATTN OF:

Superintendent, Uintah & Ouray Agency, Ft. Duchesne, UT

SUBJECT:

Concurrance for Application for Permit to Drill and Corridor ROW's

RECFIVED

TO:

Bureau of Land Management, Vernal District Office

Attn.: Minerals Division

JAN 2 7 1997

We recommend approval of the Application for Permit to drill on the subject wells.

TOWNSHIP 5 SOUTH, RANGE 3 WEST, USB&M

Sec. 03	UT 03-07	4000' Corridor ROW from UT 03-07 to tie into Ute Tribal 04-08,
		Sec. 4, SENE
Sec.16	UT 16-04	3100' Corridor ROW for Ute Tribal 16-04 to tie in at point of
		existing corridor in NENE of Sec. 17, well location UT 17-01, and to
		tie into corridor of UT 16-05, NENW, Sec. 16
	UT 16-05	3300' Corridor ROW to tie into Sec. 9, SWSE at UT 09-15
	UT 16-14	See Below
Sec.19	UT 19-09	See Below
Sec.30	UT 30-09	400' Corridor ROW from UT 30-09 to tie into corridor of UT 29-12

Each of the above well pads with an access corridor shall contain the following:

1. 3" steel buried oil pipeline	4. 4 1/2" surface production pipeline
2. 3" poly buried water pipeline	5. 6" steel buried water pipeline
3. 3" poly buried gas pipeline	6. Electrical power line

Based on available information received on <u>December 10, 1996</u>, the proposed locations have been cleared of the following areas of environmental impact.

YES X	NO	Listed threatened or endangered species
YES X	NO	Critical wildlife habitat
YES X	NO	Archaeological or cultural resources
		Air quality aspects (to be used only if project is in or adjacent to a
YES	NO	Class I area of attainment
YES	NO	Other (if necessary)

COMMENTS: The Ute Tribe Energy & Minerals is recommending the following criteria to be adhered during all phases of construction activities.

- 1. The Ute Tribe Energy and Minerals Department is to be notified 48 hours prior to construction, as a Tribal Technician is to monitor construction.
- 2. Fifty (50) foot corridor rights-of-ways shall be granted with the following:
 - a. Buried pipelines shall be buried a minimum of 3 feet below soil surface.
 - b. Access roads shall be limited to 22 feet, except as granted for sharp turns.
 - c. Surface pipelines shall be limited to 13 feet wide.
 - d. Buried pipelines shall be limited to 15 feet wide, and construction will be monitored by a Tribal Technician.
- 3. Pipelines adjacent to access roads shall be buried within 15 feet from the outside edge of the barrow ditch. Additional pipelines shall be parallel to each other, as safety requirements will allow.
- 4. Petroglyph Operating Company will assure the Ute Tribe that any/all contractors and any subcontractors has acquired a Tribal Business License and have an access permits prior to construction.
- 5. All vehicular traffic, personnel movement, construction and restoration operations should be confined to areas examined, as referenced in report, and to the existing roadways and/or evaluated access routes.
- 6. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
- 7. The personnel from the Ute Tribe Energy & Minerals Department should be consulted should cultural remains from subsurface deposits be exposed or identified during construction.
- 8. All recommendations of the Bureau of Indian Affairs combined site specific Environmental Analysis report (EA) shall be strictly adhered, during and after construction.

COAs Page 1 of 9 Well No.: Ute Tribal 03-07

CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

Company/Operator: Petroglyph Operating Company Inc.	
Well Name & Number: <u>Ute Tribal 03-07</u>	-
API Number: <u>43-013-31788</u>	
Lease Number: <u>14-20-H62-3502</u>	
Location: Lot 7 Sec. 03 T.5S. B. 3W.	

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

COAs Page 2 of 9 Well No.: Ute Tribal 03-07

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. <u>Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered</u>

Report <u>ALL</u> water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 2M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the shallowest potential productive zone. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

COAs Page 3 of 9
Well No.: Ute Tribal 03-07

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5 .Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

<u>Immediate Report</u>: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

COAs Page 4 of 9
Well No.: Ute Tribal 03-07

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

COAs Page 5 of 9 Well No.: Ute Tribal 03-07

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

COAs Page 6 of 9 Well No.: Ute Tribal 03-07

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman

(801) 789-7077

Petroleum Engineer

(801) 789-4170

Wayne P. Bankert Petroleum Engineer

(801) 781-1190

Jerry Kencka Petroleum Engineer

(801) 781-4410 **BLM FAX Machine**

COAs Page 7 of 9 Well No.: Ute Tribal 03-07

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

COAs Page 8 of 9
Well No.: Ute Tribal 03-07

SURFACE USE PROGRAM

The Surface Use Conditions of Approval (COA's) are from the Bureau of Indian Affairs concurrence memorandum and the site specific Environmental Analysis.

The Ute Tribe Energy and Minerals Department is to be notified 48 hours prior to construction. A Tribal Technician shall monitor construction.

Fifty (50) foot wide Rights-Of-Way (ROWs) corridor shall be granted for the following:

Buried pipelines shall be limited to 15 feet wide; buried a minimum of 3 feet below the soil surface; and, monitored by a Tribal Technician.

After construction of the pipeline is completed, the disturbed area of the ROW shall be contoured to blend into the natural landscape and reseeded with desirable vegetation between September 15 and November 15 of the same year following construction.

Pipelines adjacent to access roads shall be buried with 15 feet from the outside edge of the borrow ditch. Any additional pipelines shall be parallel to the outer side of the first pipeline and shall be constructed as close to the first pipeline as safety requirements allow.

Surface pipelines shall be limited to 13 feet and the ROW will not be bladed or cleared of vegetation.

Where surface lines parallel roads, the pipe may be welded on the road then lifted from the road to the ROW.

Where surface lines do not parallel roads, the pipe may be welded on the road or well site and then pulled cross country with suitable equipment. The surface pipeline ROW will not be used as an access road.

The constructed travel width of the access road shall be limited to 22 feet, except, as granted, for sharp curves or intersections. Surface pipelines will be restricted to one side of the road ROW and, buried pipelines will be restricted to the other side.

Petroglyph Operating Company will assure the Ute Tribe that any/all contractors and any/all subcontractors have acquired a Tribal Business License and have access permits prior to construction.

All vehicular traffic, personnel movement, and construction and restoration operations shall be confined to areas examined, as referenced in report, and to the existing roadways and/or evaluated access routes.

COAs Page 9 of 9 Well No.: Ute Tribal 03-07

All personnel shall refrain from collecting artifacts and from disturbing any significant cultural resources in the area.

Personnel from the Ute Tribe Energy & Minerals Department shall be consulted should cultural remains from subsurface deposits be exposed or identified during construction.

Before the site is abandoned the company will be required to restore the well site and ROW's to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Noxious weeds will be controlled on the well site and ROWs. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.

Reserve pits will be lined with impervious synthetic liners. Prior to backfilling the reserve pit, all fluids will be pumped from the pit, into trucks, and hauled to approved disposal sites. When the reserve pit is backfilled the surplus oil, mud, etc., will be buried a minimum of three (3) feet below the soil surface.

A closed production system shall be used. Production fluids will be contained in leak proof tanks. All production fluids will be taken to and disposed of at approved disposal sites. The indiscriminate dumping of production fluids on roads, well sites, or other areas will not be allowed.

Form 3160-5

UNITED STATES

FORM APPROVED

Budget Bureau No. 1004-0135

	ENT OF THE INTERIOR	E	xpires March 31, 1993	
	F LAND MANAGEMENT	5. Lease Design:	ation and Serial No.	
BUREAU	L DUAD MULANOZIMZIA	1	4-20-H62-3502	
	S AND REPORTS ON WELLS	6 If Indian, Allot	tee or Tribe Name	
	Ute Indian Tribe			
Do not use this form for proposals to drill or to de	epen or reentry to a different reservoir.			
Use "APPLICATION FOR PERI			A A. Designation	
SUBN	IIT IN TRIPLICATE	7. If Unit or CA,	Agreement Designation	
		4 ,	4 00 LICO 46ED	
1. Type of Well		1	4-20-H62-4650	
Oil Gas		8. Well Name a		
	7 u	Ite Tribal 03-07		
2. Name of Operator Petroglyph Operating Company, Inc.		9. API Well No.		
	7 4	43-013-31788		
3. Address and Telephone No.	10. Field and Pool, or Exploratory Area			
P.O. Box 607, Roosevelt, UT 84066	(435) 722-2531		Antelope Creek	
4. Location of Well (Footage, Sec., T., R., or Survey Description)				
	CONFIDENTIAL		11. County or Parish, State Duchesne County, UT	
1070 1142 0010 1 112	JUNI IDLITTINE		aloono county, -	
Lot 7, Sec. 3-T5S-R3W	TO WELL ATTEMPT OF NOTICE DE	EDORT OR C	THER DATA	
	((s) TO INDICATE NATURE OF NOTICE, RE	PORT, OR C	THE CONTRACTOR	
TYPE OF SUBMISSION	TYPE OF ACTION			
Notice of Intent	Abandonment	Change of		
	Recompletion	New Cons	struction	
Subsequent Report	Pługging Back	Non-Routi	ine Fracturing	
	Casing Repair	Water Shi	ut-Off	
Final Abandonment Notice	Aftering Casing	Conversion	on to Injection	
	Other	Dispose V	V ater	
CONFIDENTIAL		(Note: Report result	ts of multiple completion on Well	
		Completion or Rec	completion Report and Log form.)	
13. Describe Proposed or Completed Operations (Clearly state all pe	ertinent details, and give pertinent dates, including estimated date of	of starting any propos	ed work. If well is directionally drilled,	
give subsurface locations and measured and true vertical de	oths for all markers and zones pertinent to this work.)*		2/19/57	
give subsurface locations and measured and due vertical so	yala 161		vell. App extended lyr But per by But per hargic Herman	
Dioase extend the approval on the Apr	olication for Permit to Drill for the above r	referenced w	vell.	
Flease exterio the approval on the 744			Dn extended	
Detection Company Inc. 1	lans on drilling this well within the next ye	ear.	I'V KIM PER	
Petrogryph Operating Company, mc. p	ians on arming the west than are		Margie Herman tum-Vernal. Extend to	
			margie 11	
	VERNAL	DMT.	Bun-Verman	
10)ECEITA	ENG. W	per 3/1/77	- si Lend to	
III)) LE CETVI	501		- 2/12/99 HS	
	GEOL —		M 5/23/98	
MAR 1 6 1998			TOFILE	
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DIV. OF OIL GAS & AND			1 ED 0 8 1000	
DIV. OF OIL, GAS & MI	NING	Manager (Agencies and a condensity of advance of the second	- 	
14. I hereby certify that the foregoing is true and correct				
Signed Worna Bell	Title Operations Coordinator	<u>Date</u>		
(This space for Foreral or State official use)	Assistant Field Manager		MAD 1 0 1000	
Manager (Dalamo)	Mineral Resources	Date	MAR 1 0 1998	
Approved Approved if any			•	
Conditions of Approval, if any:	· ·			

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements

or representations as to any matter in its jurisdiction.

Form 3160-5 (June 1990)

UNITED STATES

FORM APPROVED

Budget Bureau No. 1004-0135

DEPARTMENT OF THE INTERIOR Expires March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. 14-20-H62-3502 SUNDRY NOTICES AND REPORTS ON WELLS 6 If Indian, Allottee or Tribe Name Ute Indian Tribe Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals SUBMIT IN TRIPLICATE 7. If Unit or CA, Agreement Designation 14-20-H62-4650 1. Type of Well 8. Well Name and No. Well Ute Tribal 03-07 2. Name of Operator 9. API Well No. Petroglyph Operating Company, Inc. 43-013-31788 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area (435) 722-2531 P.O. Box 607. Roosevelt, UT 84066 Antelope Creek 4. Location of Well (Footage, Sec., T., R., or Survey Description) 11. County or Parish, State **Duchesne County, UT** 1846' FNL 3310' FWL Lot 7, Sec. 3-T5S-R3W CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Notice of Intent Abandonment Recompletion New Construction Non-Routine Fracturing Subsequent Report Plugging Back Water Shut-Off Casing Repair Conversion to Injection Altering Casing **Einal Abandonment Notice** Dispose Water Note: Report results of multiple completion on Wel Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Please extend the approval on the Application for Permit to Drill for the above referenced well. Petroglyph Operating Company, Inc. plans on drilling this well within the next year. APD already extended to 2/12/99 per email from Margic Herman - Bl.M. Vernol. VERNAL DET. ENG. was 3/1/12 GEOL. E.S. RECEIVED PET. DIV. OF OIL, GAS & MINING FEB 0 2 1098 14. I hereby certify that the foregoing is true and correct Date Signed 1 Title Operations Coordinator Assistant Field Manager MAR 1 0 1998 Date Mineral Resources ions of Approval, if any

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements

or representations as to any matter in its jurisdiction



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office 170 South 500 East Vernal, Utah 84078-2799 http://www.blm/gov/utah/vernal

Phone: (435) 781-4400 Fax: (435) 781-4410

IN REPLY REFER TO: 3160 UT08300

March 5, 1999

Petroglyph Operating Co., Inc. P. O. Box 607 Roosevelt, Utah 84066

Re:

Notification of Expiration Well No. Ute Tribal 03-07 Lot 7, Section 3, T5S, R3W Lease No. 14-20-H62-3502

43-013-31788

Duchesne County, Utah

Gentlemen:

The Application for Permit to Drill the above-referenced well was approved on February 13, 1997. Petroglyph Operating Company, Inc. requested an extension of the original APD approval for an additional year. The request was reviewed and the extension approved until February 13, 1999. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Margie Herrmann

Legal Instruments Examiner

argie Herrmann

cc: State Div. OG&M

DECEIVED MAR - 8 1999

DIV. OF OIL, GAS & MINING